

2012 Pike County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Pike County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Pike County the average tax bill for all taxpayers decreased by 4.6%. This tax bill drop was the result of a 5.6% decrease in the tax levy of all local government units and a 3.0% increase in certified net assessed value. Pike County net assessed value rose due to a big increase in farmland assessments and smaller increases in homestead, other residential, and business assessments. Falling levies and rising assessed value caused tax rates to fall in all Pike County tax districts, which decreased tax cap credits. Credits as a percent of the levy fell by 1.0% in Pike County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-4.6%	\$13,410,887	\$678,984,255	2.4%
Change		-5.6%	3.0%	-1.0%
2011	5.7%	\$14,210,836	\$659,079,873	3.4%

Homestead Property Taxes

Homestead property taxes decreased 5.8% on average in Pike County in 2012. Tax rates in all Pike County tax districts decreased. The county average tax rate fell by 8.4%. The percentage of Pike County homesteads at their tax caps fell from 3.6% in 2011 to 2.4% in 2012. The homestead tax bill reduction was smaller than the tax rate reduction because of the effect of tax caps. Pike County had no local homestead credits in 2012.

Net Tax Bill Changes - All Property Types

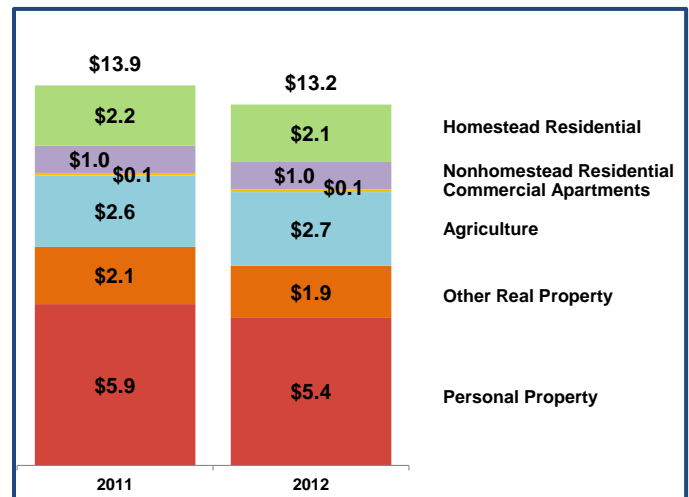
Most of Pike County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal). Net tax bills for all taxpayers decreased 4.6% in Pike County in 2012. Net taxes were lower for all property categories except agriculture. Agricultural tax bills rose because of an increase in farmland assessed value.

Comparable Homestead Property Tax Changes in Pike County

	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	562	13.4%
No Change	333	8.0%
Lower Tax Bill	3,287	78.6%
Average Change in Tax Bill	-5.8%	
Detailed Change in Tax Bill		
20% or More	167	4.0%
10% to 19%	77	1.8%
1% to 9%	318	7.6%
0%	333	8.0%
-1% to -9%	2,584	61.8%
-10% to -19%	482	11.5%
-20% or More	221	5.3%
Total	4,182	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Pike County tax districts. The average tax rate fell by 8.4%, because levies declined while net assessed value increased.

Levies in Pike County decreased by 5.6%. The Pike County School Corporation had large decreases in its capital projects and debt service funds, and the county unit had a large decrease in its general fund. The largest levy increase was in the city of Petersburg, mainly due to increases in the special fire protection funds.

Pike County's total net assessed value increased 3.2% in 2012. Agricultural net assessments rose 13.9%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 0.6%. The decline in business real and personal assessments may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$309,324,089	\$313,679,630	1.4%	\$104,713,400	\$108,598,088	3.7%
Other Residential	50,049,900	50,884,200	1.7%	49,502,652	50,347,543	1.7%
Ag Business/Land	129,984,100	148,210,460	14.0%	129,710,572	147,698,355	13.9%
Business Real/Personal	408,170,451	408,085,844	0.0%	384,039,807	382,654,514	-0.4%
Total	\$897,528,540	\$920,860,134	2.6%	\$667,966,431	\$689,298,500	3.2%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Pike County were \$321,415, or 2.4% of the levy. This was less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Pike County's tax rates were lower than the state average and slightly lower than the state median.

Two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 3% business real and personal property category. The largest percentage losses were in the city of Petersburg and the towns of Spurgeon and Winslow. The districts including these municipalities had the highest tax rates in the county. The largest dollar losses were in Petersburg, the Pike County School Corporation, and the county unit.

Tax Cap Credits by Category

Tax cap credits decreased in Pike County in 2012 by \$155,252, or 32.6%. The percentage of the levy lost to credits fell by 1.0%. There were no major changes in state policy to affect tax cap credits in 2012. Pike County credits decreased mainly because all district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$38,345	\$29,012	-\$9,332	-24.3%
2%	342,525	229,955	-112,571	-32.9%
3%	81,847	52,912	-28,935	-35.4%
Elderly	13,950	9,535	-4,414	-31.6%
Total	\$476,667	\$321,415	-\$155,252	-32.6%
% of Levy	3.4%	2.4%		-1.0%

Pike County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	17,730,171	13,202,009	13,375,669	14,210,836	13,410,887	-25.5%	1.3%	6.2%	-5.6%
State Unit	15,420	0	0	0	0	-100.0%			
Pike County	5,633,028	5,125,218	5,345,959	5,490,134	5,005,472	-9.0%	4.3%	2.7%	-8.8%
Clay Township	14,464	15,131	15,029	16,088	16,505	4.6%	-0.7%	7.0%	2.6%
Jefferson Township	28,442	29,433	30,949	31,788	32,733	3.5%	5.2%	2.7%	3.0%
Lockhart Township	30,643	32,040	33,334	34,242	34,728	4.6%	4.0%	2.7%	1.4%
Logan Township	12,344	13,110	13,608	13,963	14,400	6.2%	3.8%	2.6%	3.1%
Madison Township	15,516	16,137	16,748	17,183	17,583	4.0%	3.8%	2.6%	2.3%
Marion Township	11,048	11,646	12,272	12,604	12,984	5.4%	5.4%	2.7%	3.0%
Monroe Township	33,898	35,645	37,136	38,117	39,737	5.2%	4.2%	2.6%	4.3%
Patoka Township	29,365	31,096	32,260	33,104	34,248	5.9%	3.7%	2.6%	3.5%
Washington Township	115,535	120,362	125,086	128,124	81,835	4.2%	3.9%	2.4%	-36.1%
Petersburg Civil City	538,498	544,138	591,811	606,160	809,340	1.0%	8.8%	2.4%	33.5%
Spurgeon Civil Town	13,203	13,679	14,197	14,208	15,844	3.6%	3.8%	0.1%	11.5%
Winslow Civil Town	142,414	123,457	117,777	125,462	125,775	-13.3%	-4.6%	6.5%	0.2%
Pike County School Corp	10,461,610	6,426,939	6,296,647	6,938,793	6,435,412	-38.6%	-2.0%	10.2%	-7.3%
Pike County Public Library	453,623	473,519	494,079	506,832	523,497	4.4%	4.3%	2.6%	3.3%
Patoka Township Fire	110,168	116,689	121,115	124,280	128,558	5.9%	3.8%	2.6%	3.4%
Jefferson-Marion Township Fire	70,952	73,770	77,662	79,754	82,236	4.0%	5.3%	2.7%	3.1%
Pike County Solid Waste District	0	0	0	0	0				

Pike County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
63001	Clay Township	1.7901	--	--	--	--	--	--	1.7901
63002	Jefferson Township	1.8869	--	--	--	--	--	--	1.8869
63003	Lockhart Township	1.8630	--	--	--	--	--	--	1.8630
63004	Logan Township	1.8381	--	--	--	--	--	--	1.8381
63005	Madison Township	1.8401	--	--	--	--	--	--	1.8401
63006	Marion Township	1.8922	--	--	--	--	--	--	1.8922
63007	Monroe Township	1.8699	--	--	--	--	--	--	1.8699
63008	Spurgeon Town	2.5149	--	--	--	--	--	--	2.5149
63009	Patoka Township	2.0751	--	--	--	--	--	--	2.0751
63010	Winslow Town	3.1799	--	--	--	--	--	--	3.1799
63011	Washington Township	1.8392	--	--	--	--	--	--	1.8392
63012	Petersburg City	3.1957	--	--	--	--	--	--	3.1957

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Pike County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	29,012	229,955	52,912	9,535	321,415	13,410,887	2.4%
<i>TIF Total</i>	0	0	0	0	0	0	
<i>County Total</i>	29,012	229,955	52,912	9,535	321,415	13,410,887	2.4%
Pike County	6,978	54,801	12,213	2,993	76,985	5,005,472	1.5%
Clay Township	0	0	0	0	0	16,505	0.0%
Jefferson Township	3	0	0	9	12	32,733	0.0%
Lockhart Township	3	0	0	77	80	34,728	0.2%
Logan Township	0	0	0	1	1	14,400	0.0%
Madison Township	0	0	0	1	1	17,583	0.0%
Marion Township	0	0	0	13	13	12,984	0.1%
Monroe Township	0	143	0	5	147	39,737	0.4%
Patoka Township	77	1,151	115	65	1,407	34,248	4.1%
Washington Township	190	1,232	345	39	1,806	81,835	2.2%
Petersburg Civil City	11,311	73,267	20,533	1,444	106,555	809,340	13.2%
Spurgeon Civil Town	0	1,635	0	0	1,635	15,844	10.3%
Winslow Civil Town	492	20,226	2,725	498	23,941	125,775	19.0%
Pike County School Corp	8,972	70,456	15,702	3,848	98,978	6,435,412	1.5%
Petersburg Public Library	0	0	0	0	0	0	
Pike County Contractual Public Library	0	0	0	0	0	0	
Pike County Public Library	730	5,731	1,277	313	8,052	523,497	1.5%
Patoka Township Fire	250	1,313	0	193	1,757	128,558	1.4%
Jefferson-Marion Township Fire	6	0	0	39	44	82,236	0.1%
Pike County Solid Waste District	0	0	0	0	0	0	

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.